To,

The State Programme Officer,
RNTCP
Gulabi Bagh
New Delhi

Introduction

We have audited the accompanying Balance Sheet as at 31st March 2015, Income & Expenditure Account and Receipt and Payment Account for the year ended on that date of RNTCP of Delhi State Health Society which includes expenditure statements of the RNTCP Program implemented through the Delhi State Health Society, New Delhi. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with standards on auditing issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

a. The statements of account dealing with this report does not include funds received from World Bank under RNTCP-II (Cr. No. 4228-IN). However includes funds received from Govt. of India and Delhi State Government.
b. We have obtained all the informations and explanations which to the best of our knowledge and belief were necessary for the purpose of our examination.
c. In our opinion, proper books of account have been kept by the State Health Society, so far as appears from our examination of the books.
d. The statements of account dealt with this report are in agreement with the books of account.
e. Financial Statements of the State is the consolidated Financial Statements of the State and District Societies.
f. We draw attention to the followings:

   i) Fixed Assets Purchased for units are treated as expenditure and not shown as fixed assets of the society.
   ii) Fixed assets purchased for state & districts during the year are treated as Revenue expenditure and charged to Income & Expenditure account but also capitalised as FIXED ASSET with equivalents credit to Capital Fund. Fixed Assets should have been directly capitalized and should have been included in utilization.
iii) Fixed assets registers are not complete & updated at units & centers.

iv) As per accounting policy of the society no depreciation is charged on fixed assets as total assets have already been charged to revenue. We suggest that fixed assets should by shown in balance sheet at their depreciated value by charging depreciation to capital fund.

v) Most of the persons associated with society including persons at District and Units are contractual employees and therefore Tax Deduction at Source (TDS) should be made considering payments as salaries u/s 192 of the income Tax Act. The amount such paid is already shown as salary in the accounts. Presently the society is making TDS u/s 194-J from the persons who are paid more than Rs 20,000 p.m., which is not correct?

g. In our opinion and to the best of our information and according to the explanations given to us the said consolidated accounts of the State and District Societies. gives the information in the manner so required and give a true and fair view unless otherwise stated:

1. In the case of the balance sheet, of the State of affairs of the Society as at 31st March, 2015.

2. In the case of the Income and Expenditure Account of the excess of income over expenditure for the year ended on that date.

3. In case of Receipts and Payments Account of the receipts and payments during the year ended on that date.

h. In addition with respect to FMR/ SOEs, adequate supporting documentation has been maintained to support claims to the World Bank for reimbursements of expenditures incurred;

i. The expenditures so claimed are eligible for financing under the Credit Agreement; and

j. Procurement of goods and services has been carried out as per the Procurement manual by Central TB Division and other concerned division of the Govt. of India.

FOR KPMR & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN 002904N

DEEPAK JAIN
FCA 090854
PARTNER

Place: New Delhi
Date: 14.10.2015
OFFICE OF THE STATE PROGRAMME OFFICER
DELHI STATE RNTCP
DELHI STATE HEALTH SOCIETY
2ND FLOOR, DELHI GOVT. DISPENSARY BUILDING
DELHI GOVT. EMPLOYEES COLONY
GULABI BAGH, DELHI-110007
Phone: 23646049, 23646173; E-mail: stodll@rntcp.org

REPRESENTATION LETTER

To,
M/s KPMR & Associates
Chartered Accountants
211. Delhi Chamber,
Delhi Gate, New Delhi - 110001

a) The Financial Statements of Delhi State RNTCP are free of material misstatements, including omissions.
b) Assets shown on the Balance Sheet exists, is owned by Delhi State RNTCP and placed at different Chest Clinics under different IDHS, Delhi is used solely for the RNTCP purpose.
c) Funds have been used for the purpose for which they were provided.
d) Expenditures incurred by Delhi State RNTCP are eligible for financing.
e) There have been no irregularities involving management or employees who have a significant role in Internal Control or that could have a material effect on the Delhi State RNTCP financial statements.
f) We have made available to you all books of accounts and supporting documentation relating to the Delhi State RNTCP.
g) All the Financial records prepared as per NRHM guidelines & under limit specified in State ROP 2014-15.

Thanking you.

(Dr. Ashwani Khanna)
State Programme Officer
Delhi State RNTCP
UTILIZATION CERTIFICATE

DELIHI STATE RNTCP

Utilization Certificate for the period of 01-04-2014 to 31-03-2015

1. Certified that out of Rs. 13,38,87,000/- of Grant-in-Aid sanctioned during the period from 01-04-2014 to 31-03-2015 in favour of Delhi State RNTCP under the Ministry of Health and Family Welfare sanctions No. given hereunder, we received only Rs. 10,49,23,000/- out of the sanctioned grant and remaining is still as fund-in-transit. We also received 25% State Share of total sanctioned grant i.e. Rs. 4,46,29,000/- from NRHM and a Loan of Rs. 4,20,05,534/- from DSHM. Rs. 61,59,460.84 on account of unspent balance of the previous year and an amount of Rs. 2,09,915/- on account of miscellaneous receipts (including interest received on bank) totaling of Rs. 19,79,26,909.84, an amount of Rs. 18,83,54,059.49 has been utilized by Delhi State RNTCP (State Health Society) for the purpose of various activities approved by the Govt. of India for implementation, amount given to different IDHSs to carry out RNTCP activities as per the approved ROP through different chest clinics for which it was sanctioned and for the contingent liabilities (amount attached by ESIC) and that the balance of Rs. 95,72,850.35 remaining unutilized (before clearing the total Loan of Rs. 5,85,78,979/- given by DSHM as & when required and committed Liabilities of Rs. 1,63,38,806/- still pending at District Level as well state level due to non-receiving of fund) at the end of the year will be adjusted towards the grants-in-aid payable during the year 2015-16.

<table>
<thead>
<tr>
<th>Sr. NO.</th>
<th>Sanction No. and Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>L.19015/41/2014 TB Dated : 17-06-2014</td>
<td>Rs. 7,78,58,000</td>
</tr>
<tr>
<td>2</td>
<td>L.19015/44/2014 TB Dated : 30-09-2014</td>
<td>Rs. 2,70,65,000</td>
</tr>
<tr>
<td>3</td>
<td>L.19015/45/2014 TB Dated : 13-03-2015</td>
<td>Rs. 2,13,57,000</td>
</tr>
<tr>
<td>4</td>
<td>L.19015/45/2014 TB Dated : 13-03-2015</td>
<td>Rs. 76,07,000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>Rs. 13,38,87,000</td>
</tr>
</tbody>
</table>

* Rs. 2,89,64000/- still as Fund-in-transit (treasury route).

2. Certified that the conditions on which the grant-in-aid was sanctioned have been duly fulfilled and that I have exercised the following check to see the money was actually utilized for the purpose for which it was sanctioned.

Kind of check exercised:

a) Expenditure for the year 2014-15

(Dr. Ashwani Khanna)
State Programme Officer
Delhi State RNTCP

[Signature]

K.K. & ASSOCIATES
Chartered Accountants
New Delhi
## STATE HEALTH SOCIETY, DELHI STATE RNTCP
Balance Sheet as on 31-03-2015

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Sch. Ref.</th>
<th>Current Yr. At 31-03-15</th>
<th>Previous Yr. At 31-03-14</th>
</tr>
</thead>
<tbody>
<tr>
<td>1905527.48</td>
<td>IX</td>
<td>2366038.30</td>
<td>31282310.00</td>
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<tr>
<td>460508.82</td>
<td>IX</td>
<td>209915.00</td>
<td>2575951.30</td>
</tr>
</tbody>
</table>

### Assets

<table>
<thead>
<tr>
<th>Assets</th>
<th>Sch. Ref.</th>
<th>Current Yr. At 31-03-15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Assets</td>
<td>II-A</td>
<td>25527974.00</td>
</tr>
</tbody>
</table>

### Amount in Rupees

- **Reserve & Surplus**
  - **Opening Balance (Surplus)**: 2366038.30
  - **Add/Less Surplus/Deficit for the year**: 209915.00

- **Unspent Grant**
  - **RCH+**: 0.00
  - **RCH Flexipool**: 0.00
  - **NRHM Additionalites**: 0.00
  - **RI Strengthening Project**: 0.00
  - **Pulse Polio (PPI)**: 0.00
  - **EC SIP**: 0.00
  - **Iodine Deficiency (NIDDCP)**: 0.00
  - **IDSP**: 0.00
  - **NVBDCP**: 0.00
  - **NLEP**: 0.00
  - **RNTCP**: 18542857.40

- **Total Unspent Grant**: 4905849.31

- **NRHM Additionalites**
  - **RCH**: 0.00
  - **I-D**: 0.00
  - **I-F**: 0.00
  - **I-G**: 0.00
  - **I-H**: 0.00
  - **I-J**: 4710.00

- **Total NRHM Additionalites**: 959285.72

- **National Programme for Health Care of the Elderly**
  - **NPPCD**: 0.00
  - **NPCB**: 0.00
  - **NMHP**: 0.00

- **Total National Programme for Health Care of the Elderly**: 0.00

- **National Programme for Prevention & Control of Cancer, Diabetes, Cardiovascular Diseases and Stroke (NPCDCS)**
  - **I-R**: 0.00
  - **I-S**: 0.00

- **Total National Programme for Prevention & Control of Cancer, Diabetes, Cardiovascular Diseases and Stroke (NPCDCS)**: 0.00

- **Non-NHM Funds**
  - **I-T**: 0.00

- **Total Non-NHM Funds**: 0.00

- **Fixed Assets Reserves Fund**
  - **I-E**: 0.00

- **Total Fixed Assets Reserves Fund**: 1.4840.00

- **Closing Balances**
  - **Cash in Hand**: 4000.00
  - **Bank Balance**: 9598850.38
  - **Fund in Transit**: 20964000.00

- **Total Closing Balances**: 107987187.63

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**M/s KPMR & Associates**
Chartered Accountants
Firm Regd. No. 02504N

**State Programme Officer**
Delhi state RNTCP
## STATE HEALTH SOCIETY
**DELHI STATE RNTCP**

### Income & Expenditure For The Year Ending 31-03-2015

<table>
<thead>
<tr>
<th>Previous Yr. At 31-03-14</th>
<th>Income</th>
<th>Sch. Ref.</th>
<th>Current Yr. At 31-03-15</th>
<th>Expenditure</th>
<th>Sch. Ref.</th>
<th>Grant Received</th>
</tr>
</thead>
<tbody>
<tr>
<td>RCH-I</td>
<td>0.00</td>
<td>I-A</td>
<td>0.00</td>
<td>0.00</td>
<td>I-A</td>
<td>0.00</td>
</tr>
<tr>
<td>RCH Flexipool</td>
<td>0.00</td>
<td>I-B</td>
<td>0.00</td>
<td>0.00</td>
<td>I-B</td>
<td>0.00</td>
</tr>
<tr>
<td>NRHM Additionalities</td>
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<td>I-C</td>
<td>0.00</td>
<td>0.00</td>
<td>I-C</td>
<td>0.00</td>
</tr>
<tr>
<td>RI Strengthening Project</td>
<td>0.00</td>
<td>I-D</td>
<td>0.00</td>
<td>0.00</td>
<td>I-D</td>
<td>0.00</td>
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<tr>
<td>Pulse Polio (PPI)</td>
<td>0.00</td>
<td>I-D</td>
<td>0.00</td>
<td>0.00</td>
<td>I-D</td>
<td>0.00</td>
</tr>
<tr>
<td>EC SIP</td>
<td>0.00</td>
<td>I-E</td>
<td>0.00</td>
<td>0.00</td>
<td>I-E</td>
<td>0.00</td>
</tr>
<tr>
<td>Iodine Deficiency (NIDDCP)</td>
<td>0.00</td>
<td>I-F</td>
<td>0.00</td>
<td>0.00</td>
<td>I-F</td>
<td>0.00</td>
</tr>
<tr>
<td>IDSP</td>
<td>0.00</td>
<td>I-G</td>
<td>0.00</td>
<td>0.00</td>
<td>I-G</td>
<td>0.00</td>
</tr>
<tr>
<td>NVBDCP</td>
<td>0.00</td>
<td>I-H</td>
<td>0.00</td>
<td>0.00</td>
<td>I-H</td>
<td>0.00</td>
</tr>
<tr>
<td>NLEP</td>
<td>0.00</td>
<td>I-I</td>
<td>0.00</td>
<td>0.00</td>
<td>I-I</td>
<td>0.00</td>
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<tr>
<td>RNTCP</td>
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<td>I-J</td>
<td>164478991.91</td>
<td>18647367.69</td>
<td>I-J</td>
<td>164478991.91</td>
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<tr>
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<td>I-K</td>
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<tr>
<td>NPCB</td>
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<td>0.00</td>
<td>I-L....</td>
<td>0.00</td>
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<tr>
<td>NMHP</td>
<td>0.00</td>
<td>I-M</td>
<td>0.00</td>
<td>0.00</td>
<td>I-M</td>
<td>0.00</td>
</tr>
<tr>
<td>National Programme for Health Care of the Ederly (NPHCE)</td>
<td>0.00</td>
<td>I-N</td>
<td>0.00</td>
<td>0.00</td>
<td>I-N</td>
<td>0.00</td>
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<tr>
<td>NPPCD</td>
<td>0.00</td>
<td>I-O</td>
<td>0.00</td>
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<td>I-O</td>
<td>0.00</td>
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<tr>
<td>NTCP</td>
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<td>I-P</td>
<td>0.00</td>
<td>0.00</td>
<td>I-P</td>
<td>0.00</td>
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<td>NOHP</td>
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<td>0.00</td>
<td>0.00</td>
<td>I-Q</td>
<td>0.00</td>
</tr>
<tr>
<td>National Programme for Prevention &amp; Control of Cancer, Diabetes, Cardiovascular Diseases and Stroke (NPCDCS)</td>
<td>0.00</td>
<td>I-R</td>
<td>0.00</td>
<td>0.00</td>
<td>I-R</td>
<td>0.00</td>
</tr>
<tr>
<td>NPPC</td>
<td>0.00</td>
<td>I-S</td>
<td>0.00</td>
<td>0.00</td>
<td>I-S</td>
<td>0.00</td>
</tr>
<tr>
<td>Non-NHM Funds</td>
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<td>I-T</td>
<td>0.00</td>
<td>0.00</td>
<td>I-T</td>
<td>0.00</td>
</tr>
<tr>
<td>Others (Pl. specify)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Total

<table>
<thead>
<tr>
<th>Income Over Expenditure (Surplus)</th>
<th>209915.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>19107876.51</td>
</tr>
<tr>
<td>Total</td>
<td>164688906.9</td>
</tr>
</tbody>
</table>

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As per our report of even date:

M/s KPMR & Associates
Chartered Accountants
Firm Regd. No. 02504N

(Dr. Ashwani Kharma)
State Programme Officer
Delhi state RNTCP

New Delhi
19-10-2015
<table>
<thead>
<tr>
<th>Description</th>
<th>Previous year AT 31-03-2014</th>
<th>Current Year AT 31-03-2015</th>
<th>Previous year AT 31-03-2014</th>
<th>Current Year AT 31-03-2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Balance</td>
<td>38,344.40</td>
<td>28,548.89</td>
<td>200.00</td>
<td>507.00</td>
</tr>
<tr>
<td>Cash</td>
<td>726,251.00</td>
<td>6,165,460.84</td>
<td>535,900.00</td>
<td>896,380.00</td>
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<tr>
<td>Bank</td>
<td>743,500.48</td>
<td>6,130,911.90</td>
<td>107,652.00</td>
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<tr>
<td>Civil Works</td>
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<td>3,061,124.00</td>
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<td>3,297,985.00</td>
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<tr>
<td>Laboratory Material</td>
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<td>567,966.00</td>
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<td>98,320.00</td>
</tr>
<tr>
<td>IEC/Publicity</td>
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<td>3,181.00</td>
<td>4,525.00</td>
<td>762,801.00</td>
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<td>Equipment Maintenance</td>
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<td>607,950.00</td>
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<td>5,678,074.00</td>
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<tr>
<td>Trimming</td>
<td>715,755.00</td>
<td>715,755.00</td>
<td>1,504,985.00</td>
<td>1,504,985.00</td>
</tr>
<tr>
<td>Vehicle Maintenance</td>
<td>620,430.00</td>
<td>620,430.00</td>
<td>745,078.00</td>
<td>745,078.00</td>
</tr>
<tr>
<td>Vehicle Hiring Charges</td>
<td>77,136.00</td>
<td>3,125,697.00</td>
<td>1,554,956.00</td>
<td>1,554,956.00</td>
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<tr>
<td>NGO/PP Support</td>
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<td>10,530.00</td>
<td>10,530.00</td>
<td>10,530.00</td>
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<td>Medical College</td>
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<td>2,791,325.69</td>
<td>2,791,325.69</td>
<td>2,791,325.69</td>
</tr>
<tr>
<td>Office Operation (Miscellaneous)</td>
<td>76,223,596.00</td>
<td>76,223,596.00</td>
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<tr>
<td>Contractual services</td>
<td>104,951,100.00</td>
<td>104,951,100.00</td>
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<td>-</td>
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<tr>
<td>Printing</td>
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<tr>
<td>Research and Studies</td>
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<td>206,225.00</td>
<td>1,870,479.00</td>
<td>1,870,479.00</td>
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<tr>
<td>Procurement of Drugs</td>
<td>4,646,470.00</td>
<td>4,646,470.00</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Procurement of Vehicles</td>
<td>7,461.00</td>
<td>7,461.00</td>
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<td>-</td>
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<tr>
<td>Procurement of Equipment</td>
<td>45,980.00</td>
<td>45,980.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Patient Support &amp; Transportation</td>
<td>385,391.00</td>
<td>385,391.00</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sub Total</td>
<td>164,220,567.59</td>
<td>164,220,567.59</td>
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<td>-</td>
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<tr>
<td>Miscellaneous Receipt</td>
<td>3,690.00</td>
<td>206,878.90</td>
<td>34,133,482.90</td>
<td>34,133,482.90</td>
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<tr>
<td>Advance</td>
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<td>28,548.89</td>
<td>4,000.00</td>
<td>4,000.00</td>
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<tr>
<td>Grant refunded to GOI</td>
<td>206,878.90</td>
<td>206,878.90</td>
<td>10,63,83,490.43</td>
<td>10,63,83,490.43</td>
</tr>
<tr>
<td>Patient Support &amp; Transportation</td>
<td>28,548.89</td>
<td>28,548.89</td>
<td>23,984,000.00</td>
<td>23,984,000.00</td>
</tr>
<tr>
<td>Total</td>
<td>10,63,83,490.43</td>
<td>10,63,83,490.43</td>
<td>10,63,83,490.43</td>
<td>10,63,83,490.43</td>
</tr>
</tbody>
</table>

As per our report of even date attached

M/s KPMR & Associates
Chartered Accountant
Firm Regn. No. 02604N

Mission Director, DSHM

Place: Delhi
Dated: 14-10-2015
DELHI STATE RNTCP
SCHEDULES FORMING PART OF THE ACCOUNTS

Schedule: Significant Accounting Policies for the year ended 31st March, 2015

1. **Basis of preparation of Financial Statements**
   The financial statements have been prepared on the cash basis of accounting and the applicable accounting standards issued by the Institute of Chartered Accountants of India.

2. **Fixed Assets**
   Fixed assets are stated at cost of acquisition and subsequent improvements thereto including taxes, duties, freight and other incidental expenses relating to the acquisition. Capital fund, equivalent to cost of fixed assets purchased during the year, is created.

3. **Depreciation**
   Depreciation on fixed assets is no provided as assets are generated out of Grant-in-aid. However assets are disposed off/condemned as per the provisions under General Financial Rules (GFR) of State Government or GOI.

4. **Recognition of Income/Expenditure**
   i. The Grant-in-aid is reflected in the Income & Expenditure account as income to the extent of fund utilization.
   ii. The Grant-in-aid to the extent it remains unutilized at the end of the financial year is shown as liability in the Balance Sheet.
   iii. ‘Other income’- interest income are accounted on cash basis.
   iv. The Grant-in-aid to NGOs are treated as advance at the time of release, however monitoring is done through ‘Memorandum Accounts’.

5. **Accounting of assets acquired under assisted program (other than GOI)**
   The assets acquired out of funds from agencies (other than GOI) are also capitalized and equivalent amount is transferred to ‘Capital Fund’.

(Signature)
Dr. Ashwati Khattab
State Programme Officer
Delhi State RNTCP